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HOUSE BILL NO. 620

INTRODUCED BY J. READ, B. MITCHELL, L. BREWSTER, B. LER, B. KEENAN, G. OBLANDER, J. BERGSTROM, M. YAKAWICH, P. GREEN, J. KASSMIER, L. DEMING, L. HELLEGAARD

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE LEGAL TENDER ACT; PROVIDING FOR SPECIE LEGAL TENDER; PROVIDING FOR A NONREFUNDABLE CREDIT; PROVIDING FOR THE STATE TREASURER TO IMPLEMENT THE LEGAL TENDER ACT; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTION 17-1-111, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short title. [Sections 1 through 3] may be cited as the "Legal Tender Act".

NEW SECTION. Section 2. Specie legal tender. (1) Specie legal tender, including specie legal tender recognized in other states, is legal tender in this state.

(2) Except as expressly provided by contract, a person may not compel any other person to tender or accept specie legal tender.

(3) Gold or silver coin or bullion, other than gold or silver coin that is issued by the United States, is considered to be specie legal tender if:

(a) a court of competent jurisdiction issues a final, unappealable judgment or order determining that the gold or silver coin or bullion may be recognized as legal tender in this state; or

(b) Congress enacts legislation that:

(i) expressly provides that the gold or silver coin or bullion is legal tender in this state; or

(ii) expressly allows the state to recognize the gold or silver coin or bullion as legal tender in this state.

NEW SECTION. Section 3. Specie legal tender -- duties of state treasurer. (1) The state treasurer

1 shall implement [section 2] by:

2 (a) authorizing the use of specie and specie legal tender for the payment of state and local taxes,
3 subject to authentication procedures determined by the state treasurer that are consistent with the precious
4 metals industry standards;

5 (b) determining, maintaining, and publishing market-based exchange rates between specie, specie
6 legal tender, and other legal tender currencies on a real-time basis on the state treasurer's website for the
7 purpose of calculating tax payments to or from the state. The state treasurer may hire a consultant as provided
8 in subsection (2) to determine exchange rates under this section. As used in this subsection (1)(b), the term
9 "real-time basis" means as close as possible to the actual time that the exchange information is available so
10 that the information is provided almost immediately.

11 (c) exchanging specie and specie legal tender for other specie legal tender currencies;

12 (d) holding specie and specie legal tender; and

13 (e) if market conditions warrant, investing in precious metal leases or bonds payable in precious
14 metals.

15 (2) The state treasurer may contract for services with established precious metals firms and other
16 industry experts to assist with the duties of the treasurer under this section. The state treasurer shall require
17 background checks and financial disclosures, along with any other requirements specified by the state
18 treasurer, prior to engaging in any contract under this subsection.

19 (3) No later than January 1, 2024, the state treasurer shall adopt rules necessary to implement
20 [sections 1 through 3].

21

22 **Section 4.** Section 17-1-111, MCA, is amended to read:

23 **"17-1-111. General fiscal duties of state treasurer.** (1) The state treasurer is the custodian of all
24 money and securities of the state unless otherwise expressly provided by law.

25 (2) It is the duty of the state treasurer to:

26 (a) receive and account for all money belonging to the state, not expressly required by law to be
27 received and kept by some other person;

28 (b) pay warrants out of the funds upon which they are drawn;

- 1 (c) upon payment of any warrant, record the receipt of the person to whom it is paid;
- 2 (d) keep an account of all money received and disbursed;
- 3 (e) at the request of either house of the legislature or of any legislative committee, give information
- 4 in writing as to the condition of the treasury or on any subject relating to the duties of the office of state
- 5 treasurer;
- 6 (f) superintend the fiscal concerns of the state;
- 7 (g) suggest plans for the improvement and management of the public revenue;
- 8 (h) keep an account of all warrants drawn upon the treasury and of other appropriation records
- 9 that the treasurer determines to be essential for the support of the accounting records maintained in the
- 10 department;
- 11 (i) keep a register of warrants, showing the fund upon which each warrant is drawn, each
- 12 warrant's number, who received the warrant, and the date issued;
- 13 (j) require all persons who have received money belonging to the state but who have not
- 14 accounted for it to settle their accounts;
- 15 (k) draw warrants on the state treasury for the payment of money directed by law to be paid out of
- 16 the treasury, except that a warrant may not be drawn unless authorized by law;
- 17 (l) authenticate with the official seal of the state all warrants drawn and all copies of papers issued
- 18 from the office of state treasurer;
- 19 (m) collect and pay into the state treasury all fees received;
- 20 (n) discharge other duties as may be imposed upon the state treasurer by law; ~~and~~
- 21 (o) provide information through the state's official internet website detailing how donations can be
- 22 made to the state general fund or to any function of state government; and
- 23 (p) implement the Legal Tender Act, [sections 1 through 3]."

25 NEW SECTION. Section 5. Codification instruction. [Sections 1 through 3] are intended to be
 26 codified as a new chapter in Title 17, and the provisions of Title 17 apply to [sections 1 through 3].

28 NEW SECTION. Section 6. Effective date. [This act] is effective January 1, 2024.

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